Secrt. II-27—100,000—21-5-48.

FOOD (19~~3~~ 48) Department.

MS. SERIES.

G.O. No. 103

Dated 5-2-48

[Despatch Abstract.]

Legislative Assembly--Starred Question No.763--Potatoes--Special export quota to 'A' class merchants etc., in the Nilgiris--Papers Recorded.

SECRETARIAT OF THE MADRAS LEGISLATURE
Assembly Section.

STARRED. Qn. No.763.

By

Sri V.I. Muniswamy Pillay, M.L.A.,.
Food Department.

*Qn.No.763.

QUESTION.

Will the Honourable the Minister for Food be pleased to state:-

(a) whether it is a fact that the Government ordered during the last week of September 1947, 3000 tons of Nilgiri potatoes to be despatched immediately to Provinces outside Madras and that permits are to be issued only to a limited number of persons known as "A" class merchants;

(b) the special reasons that led the Government to take this course and to choose a few rich and influential merchants;

(c) whether the Government are aware that stocks are held also by 'B' and 'C' class merchants and by several potato growers and the Nilgiris Co-operative Marketing Society Ltd., Nilgiris;

(d) whether any reference before the order was made to the Collector of the Nilgiris and what was his report;

(e) if the answer to (d) be in the affirmative whether the Government will be pleased to place X on the table of the House copies of telegrams and communications which passed between the Collector of the Nilgiris, the Board of Revenue Supplies Department) and the Government;

(f)whether the Government received any representations from the President and Secretary of the Nilgiris District and Taluk Congress Committees and Ootacamun Town Congress Committees and from other public bodies as to the great injustice to the ordinary merchants, growers and the Marketing Society if the Government insisted on their order;

(g) whether the Government have set up a "Nilgiris District Potato Advisory Committee";

(h) who the members are of this Committee; and whether the Committee was consulted in the matter of the export of the 3000 tons;

(i) if the answer to (H) is in the affirmative what their advice was in this connection;

(j) if the answer to (h) be in the negative why this body was not consulted; and

(k) whether the Government are aware that this action of the Government is greatly resented by the growers and

ordinary....

(4) One representative of Devershola Fertilizers, Limited, Ootacammund.

(5) A Mohammad Rowther, Mettupalayam.

(6) Sri K.B. Ajja Gowder, Kotagiri.
(7) One representative of Messrs. L. Kempey Gowder and Sons, Ootacammund.

(8) Sri P. Kuppuswami Pillai, President of the Merchants' Association, Mettupalayam,
(9) The Deputy Registrar of Co-operative Societies, Ootacamund.
(10) Sri Rao Bahadur H.B. Ari Gowder.
(11) Mr. N.M. Lingam, Nanjanad.
(12) The Deputy Director of Agriculture, Ootacamund.
(13) Sri M.K. Nanja Gowder, Achinikal, Ketti.
(14) Sri K.H. Ajja Gowder, Kundachappai, Cotacamund.
(15) *

The Committee was not consulted in respect of the allotment of the special export quota of 3,000 tons.

(i) Does not arise in view of the answer to clause (h).
(j)(k) The Government did not feel the necessity to consult the Advisory Committee in this matter of where the issue and the solution were clear and specific.

(k) The Government had already made it clear in their Press note, dated 14th October, 1947, that they were prepared to allow further special export quotas in favour of the non-A class categories, viz., the Nilgiris Co-operative Marketing Society, growers and the 'B'and 'C' class merchants, provided they too were in possession of large stocks deteriorating on account of long storage. On further enquiry Government have since allowed 2,300 tons to be exported by the 'B' and 'C' class merchants, the Nilgiri Co-operative Marketing Society and the growers. The Government have also issued instruction that in respect of all future allotments for foreign exports, preference should be given to the non 'A' class categories in the proportion already fixed, so that the inequality, if any, on account of the special export quota of 3,000 tons allotted in favour of 'A' class merchants alone may be removed.

M.A. Kuttalalingam Pillai,
SECRETARY TO GOVERNMENT.

(15)* Sri M.S. Ramaswamy Iyer President of the Potato Merchants Association Mettupalayam.

OFFICE ASSISTANT
MADRAS RECORD OFFICE.

C.N.V.
4.12.

ordinary merchants.

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FOOD DEPARTMENT.

A N S W E R:

Printed copies of the answer are placed on the Table of the House.

(Sd.).
ASSISTANT SECRETARY TO GOVERNMENT.

To The Secretariat of the Madras Legislature (5 copies)
with 350 copies of the Printed answer.
Copy to Public (Elections) Department
with a copy of the Printed answer.

The above answer has been approved by the Honourable Minister (Food).

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FOOD DEPARTMENT.

TO BE PLACED ON THE TABLE OF THE HOUSE.

ANSWER TO LEGISLATIVE ASSEMBLY STARRED QUESTION NO.763, BY SRI V.I. MUNUSWAMI PILLAI.

(a) Yes.

(b) In the last week of September 1947 it was brought to the notice of the Government that 'A' class merchants in the Nilgiris were holding a large stock of about 4,300 tons of potatoes which was rotting on account of long storage in godowns and would soon perish and become unfit for human consumption if a market was not immediately provided. It was out of the question to release the stock for consumption in the domestic market which had been supplied already to the full limit of 3,500 tons. The Government therefore considered that, during a period of acute food shortage all over the country, these potatoes ought not to be allowed to be wasted, whoever the stockists might be. They accordingly decided that a special foreign quota of 3,000 tons should be sanctioned immediately and allotted to the 'A' class merchants so as to enable them to dispose of their deteriorating stocks in the regular consuming areas outside the Province.

(c) No.

(d) Yes. The Collector confirmed the representations of the 'A' class merchants that they were holding a large stock of potatoes.

(e) The Government do not see any necessity for placing copies of the correspondence on the table of the House.

(f) Yes.

(g) Yes.

(h) The following gentlemen are the members of the Committee:-

Collector of the Nilgiris--President.
(1) Sri K. Bokkai Gowder, M.L.A.
(2) Sri V.I. Munuswami Pillai, M.L.A.
(3) One representative of the Nilgiris Co-operative Marketing Society.

4.....

"(i) Does not arise in view of the answer to clause (h).
"(j) The Government did not feel the necessity to consult the Advisory Committee in this matter where the issue and the solution were clear and specific.

"(k) The Government had already made it clear in their Press note, dated 14th October 1947, that they were prepared to

allow further special export quotas in favour of the non-'A' class categories, Viz., the Nilgiris Co-operative Marketing Society, growers and he 'B' and 'C' class merchants, provided they too were in possession of large stocks deteriorating on account of long storage. On further enquiry Government have since allowed 2,300 tons to be exported by the 'B' and 'C' class merchants, the Nilgiri Co-operative Marketing Society and the growers. The Government have also issued instructions that in respect of all future allotments for foreign exports, preference should be given to the non-'A' class categories in the proportion already fixed, so that the inequality, if any, on account of the special export quota of 3,000 tons allotted in favour of 'A' class merchants alone may be removed."

SRI V.I. MUNISWAMI PILLAI:- "In view of the answer to clause (k), is it not a fact that the B and C class merchants held a large stock at the time when special grants were granted to A class merchants?"

THE HONOURABLE DR. T.S.S. RAJAN:- " ~~IN XE KNX~~ "The Government were not aware that B and C class merchants held large stock of potatoes."

SRI V.I. MUNISWAMI PILLAI:- " Is it not the duty of the Collector who took into account the stock held by the other merchants to see whether these merchants also had large stocks?

THE HONOURABLE DR.T.S.S.RAJAN:- "It is on the representations of the B and C class merchants that the Collector went into the question; and so that question does not arise."

SRI V.I. MUNISWAMI PILLAI:- "May I inquire with reference to the answer to (j), is it the policy of the Government not to take the opinion of the advisory committees set up for this purpose?"

THE HONOURABLE DR. T.S.S. RAJAN:- " The opinion of the advisory committees is advisory, That is all."

SRI V. M. RAMASWAMI MUDALIAR:- "May I ask whether the Government are aware that there has been an increase in the price of potatoes and was it by reason that its export to other provinces was permitted and may I also know whether Government consulted the advisory committee why there has been an increase in the price of potatoes?"

THE HONOURABLE DR. T.S.S. RAJAN:- "The Government are aware of the increase in the price of potatoes. It is just possible, Sir, that the decontrol is to a certain

extent...

extent responsible for this slight rise. But the Government hope that in the course of a few days prices will adjust themselves and they may drop down to normal level."

SRI B.S. MURTHI:- "Does not the Collector check the information as to the stock available with different dealers, the (11-15 a.m.) A, B and C classes?"

3rd December 1947.

THE HONOURABLE DR. T.S.S. RAJAN:- "It is open to these dealers who are affected by the condition of the potatoes to make a representation and draw the attention of the Collector, in which case I am sure the Collector would have paid some attention to them as he did in the case of the A class merchants."

SRI S. NAGARAJA MANIGAR:- "It might be, Sir, that the B and C class merchants would not have represented to the Government, but does it mean that the Government allowed the stocks that they had to go rotten?"

THE HONOURABLE DR. T.S.S. RAJAN:- " If the stockholder does not knew that it is rotten how can the Government know that the stock is rotting? That is where the difficulty comes in."

SRI V. RAGHAVAYYA:- "Will the Government agree with us when we say that the fall in export of potatoes to foreign countries like Ceylon may have the effect of reducing the prices and relieve the development of an uncertain food situation in the country?"

THE HONOURABLE DR. T.S.S. RAJAN:- "I am not able to follow the question, Sir."

SRI V. RAGHAVAYYA:- "Will the Government put a ban on export of potatoes to foreign countries, particularly to Ceylon so that the prices may come down and help the people in their uncertain food situation?"

THE HONOURABLE DR. T.S.S.RAJAN:- "The Government have just new decontrolled potato, Sir, and we have no idea of reintroducing control."

SRI B.S. MALLIKARJUNA RAO:- " Did the Government ascertain what is the reason for the scarcity in the market when potatoes are actually rotting with merchants and when they are demanding permits for export?"

THE HONOURABLE DR. T.S.S. RAJAN:- "That is a matter left entirely to the dealers and the Government have nothing to do in the matter."

SRI V.I. MUNISWAMI PILLAI:- "Arising out of the answer given by the Honourable Minister, may I inform him that the B and C class merchants waited on the Collector seceral times in my presence and that he did not take their advice and he sent his own report of the stocks held in the Nilgiri district which is not correct?"

THE HONOURABLE DR. T.S.S. RAJAN:- "It is left to the Collector to make such report as he thinks necessary on the representation made to him by these merchants. If these merchants think that they were not treated properly it was open to them to represent to the Government just as the A class merchants have done".

SRI B.S. MALLIKARJUNA RAO:-- "May I ask, Sir, whether it is not the respensibility of the Government that when an application is made for a permit for export to ascertain why the merchants have not released the stocks to the local markets?"

THE HONOURABLE DR. T.S..S. RAJAN:-- "The stocks were held by the merchants and they had to release the stocks only on a permit. That is why their stocks were held up and the Government had to interfere and release them after giving them necessary permits."

Assistant Secretary.

The printed proceedings at page 10-13 above may be perused. No further action appears called for on them. The papers may be recorded as a Ms.Order.

G.O.Ms.No.103 dated/5.2.'48. (Sd.)

Legislative Assembly Questions-
Starred Question No.763--
Potatoes--Special export Quotation-A class merchants etc--
in the Nilgris--Papers recorded.

A. Thiagarajan 28.12

OFFICE ASSISTANT
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(True copy) 14/12/53 14/12.